

Gertz, who became president of the university in 1995, said in an interview that the land deal was made with Jean Ames only. The notarized sale agreement specifies that only she would have lifetime rights to the land. But numerous letters contained in Ames' files show that his wife intended that both of them be allowed to live out their lives there.

"If he's saying that I have no rights here at all, that's ridiculous," Ames said. "We were dealing with splendid people at the university back then. And they made a provision for me that I could live here for the rest of my life."

Ames and his wife lived together on the land until Jean Ames died in 2000 at age 92. Then, in May of this year, Ames was served with an eviction notice by the university, giving him nine days to vacate the property and ordering him to pay nearly \$40,000 in back rent—\$1,000 a month since the death of his wife. Ames said he was stunned and angry. He hired a lawyer and filed a civil suit against the university, saying he no longer wanted it to have his land. That case is pending.

Gertz said that following the death of Jean Ames, Russell Ames should have sent the university a letter asking permission to remain on the property. However, despite the eviction notice, Gertz said Ames would "of course" be allowed to stay on the property until he dies if he seeks university permission now.

Gertz said Sanger, Simpson and Barbato never asked the university's permission to live on the land, so they were trespassing and deserved to be arrested. But Ames said he believes the three Americans were jailed on trumped-up charges to intimidate him into leaving his property and dropping his civil suit.

"I hope this is a big bluff, but I'm scared," Barbato said.

MAKING AMERICA STRONGER

Mr. LIEBERMAN. Mr. President, in September I issued a major report on restoring U.S. manufacturing. I commend this report to my colleagues. It can be found at www.Lieberman.Senate.gov.

The collapse of our manufacturing sector is heart breaking. We have lost 14,00 manufacturing jobs in the last 3 months and 2.8 million since July of 2000. And this is during what is supposed to be an economic recovery. In terms of jobs, the U.S. manufacturing sector has slipped every month for the last 38 months. In my own State of Connecticut we have lost more than 14 out of every 100 manufacturing jobs in the past 3 years, and it is cold comfort that we are not the worst.

Our manufacturing sector is hemorrhaging jobs at a dismaying rate. And not just jobs but industries. Economists at the Federal Reserve Bank of New York recently published an analysis of the current "jobless recovery." Their conclusion is stark:

"Our inquiry into the reasons for the current labor market slump suggests that structural change has played an important role. Industries that lost jobs during the recession have continued to shrink during the recovery, and permanent job losses have eclipsed temporary layoffs."—"Has Structural Change Contributed to a Jobless Recovery?" (Erica L. Groshen and Simon Potter)

As the report highlights, there are many reasons behind these closed

plants, these lost jobs, these devastated families. Fierce competition from overseas competitors—some of them playing on fields tilted distinctly in their favor—has played a major role. So did the severe recessions we are only now climbing out of. The collapse of the telecom industry had severe consequences for manufacturers that served the electronics and information technology industries. This report discusses a number of challenges and problems facing American industry.

But the most imperative question remains, "What does the Bush administration intend to do about it?" Its recent acknowledgment of foreign currency manipulation of their currencies is welcome, but the Administration is not utilizing its current authority to remedy this abuse; this is the key point of my legislation, S. 1592, the Fair Currency Enforcement Act of 2003, discussed in depth in this report. Creating an Assistant Secretary for Manufacturing and Office of Industry Analysis simply rearranges existing boxes, and submerges them deep in the Commerce Department. This report recommends making the Commerce and Defense Secretaries themselves responsible. Their plan remains lacking in content and vision. It is all about gestures, not actions.

Forgive me, but the time has come to be blunt. Every sector of the American economy plays a role in the strength and security of our nation, but the role played by manufacturing is unique, and uniquely important. To do nothing, to roll over and play dead, is not the American way. Sadly, it seems to be the approach favored by the current Administration.

The problems we face are complex, the response needs to be thorough, broad-based, and coordinated. That is what this report is really about. Here we present the broadest, most comprehensive and insightful plan to revitalize U.S. manufacturing yet proposed.

We need to understand that trade is not the problem, it is part of the solution. And we need to deal with the obstacles raised in some countries to a free and fair trade in American goods. We need to invest in the future of manufacturing, in the research and development of new, path-breaking manufacturing processes. We need to invest in our workforce, in the training and education needed to excel and prosper in a world labor market. We need to reinvigorate partnerships between state and Federal Government, and between government and industry.

Indeed, this is not a task for government alone. The proposals outlined in this report call upon industry and academia, upon labor and management, upon the private and public sectors to contribute to the solutions we need.

It will require all of us, pulling together.

I want to thank Michael Baum, along with William Bonvillian and Chuck Ludlam of my staff, for their efforts in

preparing what I believe will be a useful and timely report.

AUDITOR INDEPENDENCE AND TAX SHELTERS ACT

Mr. BAUCUS. Mr. President, I rise today in support of Senator LEVIN's bill, S. 1767, the Auditor Independence and Tax Shelters Act. I am pleased to be an original cosponsor. The Auditor Independence and Tax Shelters Act compliments the legislation that I introduced last year, the Tax Shelter Transparency Act.

Just this year, the Tax Shelter Transparency Act has been passed by the Senate Finance Committee four times—in the Energy bill, the CARE Act, the Jobs and Growth bill, and most recently as part of the Jumpstart Our Business Strength Act. The same legislation has passed the full Senate three times—in the Energy bill, the CARE Act, and in the Jobs and Growth bill.

Senator LEVIN's legislation shuts down tax shelter promotion from the audit and financial statement side of the equation. Specifically, S. 1767 would strengthen auditor independence by prohibiting them from providing tax shelter services to their audit clients. The legislation would also reduce potential auditor conflicts of interest by codifying four auditor independence principles to guide the audit committees of the Board of Directors of a publicly traded company, when that committee is required by the Sarbanes-Oxley Act to decide whether the company may provide certain non-audit services to the corporation.

The proliferation of abusive tax shelters has been referred to as our nation's most significant tax compliance problem. The development, selling, and buying of tax shelters has also been characterized as a "race to the bottom." The New York State Bar Association said "the constant promotion of these frequently artificial transactions breeds significant disrespect for the tax system, encouraging responsible corporate taxpayers to expect this type of activity to be the norm, and to follow the lead of other taxpayers who have engaged in tax advantaged transactions."

Simply put, this is unacceptable. It has been 2 years since the collapse of Enron. The Sarbanes-Oxley Act took significant steps to restore confidence in corporate America. But, when it comes to ensuring auditor independence, Sarbanes-Oxley did not go far enough. The passage of the Auditor Independence and Tax Shelters Act will help ensure that last year's corporate reform efforts have their intended effect of restoring real independence to the "independent audit."

This morning, the Senate Finance Committee held a hearing on tax shelters. We learned that the tax shelter problem is widespread. Tax shelter schemes are not just an Enron and Arthur Andersen phenomenon. They are

developed and promoted by accounting firms, law firms, and investment banks. Many corporations and individuals purchase tax shelters.

To give you an idea of the burden they are placing on these honest taxpayers—during the 1990s alone—actions taken to shut down the tax shelters that we knew about saved the American taxpayer \$80 billion. More recently, a study commissioned by the IRS estimates the current cost to honest taxpayers ranges from \$14 billion to \$18 billion a year. That is up to \$180 billion over ten years. I am simply unwilling to tell the schoolteacher in Montana that he needs to pony up a little more because Congress is unwilling to shut down a loophole that is costing tens of billions every year.

However, since the collapse of Enron, the Congress has failed to enact a single piece of tax legislation to curb tax shelter abuses. The time has come to shut down these abusive practices. I urge all of my congressional colleagues in the House and the Senate—to support the Auditor Independence and Tax Shelters Act and the Tax Shelter Transparency Act and send both of these pieces of tax shelter legislation to the President for his signature by the end of the year.

TRIBUTE TO LUIS FERRÉ

Mr. CORZINE. Mr. President, today, an icon of Puerto Rico has passed away. I want to express my sadness at the passing of Luis Ferré, former Governor of Puerto Rico, only 4 months shy of his 100th birthday.

Luis Ferré was a great leader, businessman, and a faithful believer in social justice. Born February 17, 1904, in the city of Ponce, Puerto Rico, Ferré was a member of the Assembly that produced Puerto Rico's 1952 Constitution. In 1969, he became the Island's third Governor under its new constitution. He established the Luis A. Ferré Foundation to support the development of the arts and the culture, and in 1991, received the Medal of Liberty from President George H.W. Bush.

I extend my condolences to the Ferré family and to all Puerto Ricans, on the Island and here on the mainland.

IN MEMORY OF GREG PALLAS

Mr. BREAUX. Mr. President, I rise today to pay tribute to an extraordinary man, a former senior staff member to this body and a good friend, Greg Pallas. Greg lost a long and courageous battle with a rare form of cancer, and passed away on October 17, 2003.

Greg was born on June 27, 1952, in Los Angeles. He graduated from the New York Military Academy and United States Naval Academy Class of 1973. After graduation, Greg served as a Naval Officer aboard the USS *Kitty Hawk*, U.S. Pacific Fleet, and then went to work at the Pentagon.

Following his distinguished career in the military, Greg continued to serve

his country as an outstanding staff member of the United States Senate. For 18 years, Greg was Legislative Director and later Chief of Staff to our friend and colleague, Senator J. James Exon of Nebraska where Greg was instrumental in managing the work of the Senate Budget Committee.

When Senator Exon retired in 1996, Greg left the Senate and became the Director of Congressional Liaison and Business Development at ITT Industries, Defense in McLean, VA.

Greg was a member of Emanuel Lutheran Church, the American Legion Post 199, the Military Order of the Carabao, the U.S. Navy Public Affairs Alumni Association and the Navy League.

Greg is survived by his loving and devoted wife, Diane McRee, one of my own dear friends and herself a longtime staff member to the United States Congress, and his cousin, Connie Traver.

I admired Greg. He cared deeply about the Senate and about his country. I know the entire extended family of the United States Senate joins me in sorrow at the loss of our friend.

We were privileged to know and to work with him, and we offer our condolences and prayers to Diane and to all of Greg's friends.

ADDITIONAL STATEMENTS

TRIBUTE TO THE FERN CREEK QUILT LOVERS

• Mr. BUNNING. Mr. President, I pay tribute to the Fern Creek Quilt Lovers for the charity and goodwill they have demonstrated to ailing children in Kentucky.

The Fern Creek Quilt Lovers, which is a group of approximately a dozen members, has been meeting for several years at the home of one of the members for "quilt work day." The group sews in the morning, breaks for lunch, and then returns to the quilting work in the afternoon. This work has rendered over 500 quilts in the past several years, each of which has been donated to Kosair Children's Hospital.

Kosair Children's Hospital, a hospital in Louisville, KY, is home to many critically ill children. The most severely ill of these children in Kosair Children's Hospital each receive a quilt as a gift of love and compassion. Often, as the Fern Creek Quilt Lovers hope, these quilts provide more than just warmth and comfort to these children, but hope as well.

I am grateful to the Senate to allow me to honor and recognize the Fern Creek Quilt Lovers today. I appreciate their loyalty to Kentucky and their community. They have been a shining example of leadership, hard work, and compassion. They are an inspiration to all throughout the Commonwealth. Congratulations, Fern Creek Quilt Lovers. You are Kentucky at its finest. ●

150TH ANNIVERSARY OF THE VERMONT STANDARD

• Mr. JEFFORDS. Mr. President, I congratulate The Vermont Standard on its sesquicentennial anniversary. The Vermont Standard is the hometown weekly newspaper of Woodstock, VT, which sits alongside the Ottauquechee River in Windsor County.

Every Thursday, residents of Windsor County can catch up on local sports scores, learn about their students' recent achievements, and read columns written by their neighbors about wildlife, the outdoors, and other community goings-on. Advertisements for area stores and businesses and photographs of neighbors at area events line the pages of the paper's sections. News from each town in the "Town News" section is written by people who live in each town and who understand each town. Everybody receives The Vermont Standard and everybody reads it.

The Vermont Standard traces its origins back to April 29, 1853, when owner Louis Pratt, Jr. and editor Dr. Thomas Powers began publishing The Vermont Temperance Standard with the goal of stopping the consumption of alcohol and spreading the ideals of temperance. In January 1857, Wilber P. Davis and Luther O. Greene bought the newspaper, removed the word "temperance" from the title, and rededicated its influence through its circulation to the abolition of American slavery. Following Greene's death, the newspaper enjoyed a long line of respected owners, including W. H. Brown, W. H. Moore, Robert H. Matteson, Benton Dryden, Edward J. Bennett, and its current publisher, Phillip Cabot Camp.

As The Vermont Standard and its community celebrate this milestone, a group of local historians have been assembled as advisors during its anniversary. I congratulate the members of this executive board, including Publisher Phillip Camp, General Manager Jon Estey, Editor Kevin Forrest, Howard Coffin, David Donath, Peter Jennison, Corwin Sharp, Kathy Wendling, and Don Wickman. ●

MESSAGE FROM THE HOUSE

At 12:07 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed S. 1591, an act to redesignate the facility of the United States Postal Service located at 48 South Broadway, Nyack, New York, as the "Edward O'Grady, Waverly Brown, Peter Paige Post Office Building" without amendment.

The message further announced that the House has agreed to S. Con. Res. 66, a concurrent resolution commending the National Endowment for Democracy for its contributions to democratic development around the world on the occasion of the 20th anniversary of the establishment of the National Endowment for Democracy, without amendment.